(Amount Rs. in crores)

Year	Gross NPAs	Net NPAs
31.03.1997	43577	20284.73
31.03.1998	45653	21232.18
31.03.1999	51711	24211.49

(b) to (d) The performance of the Debts Recovery Tribunals (DRTs) has been affected on account of certain court cases, including the one in Delhi High Court declaring the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 null and void. The Government has however filed a Special Leave Petition in the Hon'ble Supreme Court and DRTs are functioning under the orders of the Supreme Court. As reported by DRTs, 2107 cases in 1997-98 and 2203 cases in 1998-99 have been disposed of by these tribunals. DRTs have started showing encouraging results and government have decided to set up five more DRTs and four more Appellate Tribunals in addition to existing 10 DRTs and one DRT in the Country. It is also proposed to carry out some amendments in the DRT Act to make the tribunals more effective.

Diversion of Funds Vis-a-vis Ispat Industries and Jindal Vijaynagar Steel Project

1283. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of FINANCE be pleased to refer to answer to Starred Question 190 given in the Rajya Sabha on the 5th August 1997 and state:

(a) whether it is a fact that with respect to the Ispat Industries Ltd., and Jindal Vijaynagar Steels, the diversion of funds has been one of the major reasons for the cost and time over-run of these projects;

(b) if so, the details of the diversions; and

(c) the action being taken and result achieved so far in getting back the diverted fund?

THE MINISTER OF STAE IN THE MINISTRY OF FINANCE

(SHRI BALASAHEB VIKHE PATIL): (a) to (c) The information is being collected and will be laid on the Table of the House.

Reduction in Government Stakes in PSU Banks

1284. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in a recent meeting with representatives of PHDCCI, the Union Banking Secretary is reported to have stated that the Nationalised Banks and Banking Regulation Acts would be soon be amended to bring down the Government's stake in public sector banks;

(b) if so, the name of the banks likely to be covered initially;

(c) whether the voluntary retirement schemes (VRS) have also been formulated; and

(d) whether the recognised unions of the banking employees have been consulted in the matter and if so, with what results?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) In view of increasing requirement of capital of nationalised banks in order to attain the prescribed higher standards of capital adequacy, the infeasibility of the Central Government continuing to indefinitely meet the requirement of additional capital of the banks in the context of competing claims for budgetary support from the physical and social infrastructure sectors and social services and the need for raising capital from the market, the need for promoting competition, efficiency and providing more autonomy and in accordance with the policy of progressive economic reforms, it has been recommended by the Committee on Banking Sector Reforms (Narasimham Committee-II) to amend the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980 to provide for an enabling provision for the banks to raise capital from the market even with Government shareholding going below 51 percent. In the said meeting, the above facts and the legal position only were explained and no announcement of any decision was made.

(c) and (d) Regulation 29 of the Bank (Employees) Pension Regulations, 1995 provides for grant of pensionary benefits to those